From: Charles Ortmeyer

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November 15, 1995

VIA FAX

Mr. Michael K. Stone
The Point Foundation
27 Gate Five Road
Sausalito, CA 94965

Re: Endswell Loan

Dear Mike:

Thanks for your letter of yesterday. I am transmitting with this letter copies of pages showing changes in the documents.

Regarding the personal liability issue, I have incorporated your first suggestion ("arising out of this agreement") but not the second. I feel that the latter change is ambiguous and goes too far. If you would like to discuss it further, please let me know.

I have made a change that allows you to deal with Endswell's designated agent on In-Kind Payment issues. I have not included a "permission will not be unreasonably withheld" clause, because I don't know what the standard of reasonableness might be. I believe that Endswell should have the total discretion to say what types of other In-Kind Payments are appropriate for credit.

By copy of this letter, I am asking Joel Solomon to supply the notice address for Norine MacDonald.

Best regards.

Sincerely,

Chuck

Charles P. Ortmeyer

b. Point's execution and delivery of this Agreement and the Note, and Point's performance hereunder and thereunder, is not inconsistent with and does not violate Point's charter or bylaws or any other agreement or instrument to which it is a party or by which it is bound;

c. it owns the Collateral and the Pledged Stock free and clear of all liens, security interests, or interests of any kind of any third party, and that the security interest conveyed to Endswell herein is sufficient to give Endswell all of the rights of a first priority secured creditor with respect to the Collateral and the Pledged Stock;

d. the financial statements attached hereto as Exhibit "D" accurately and completely depict the financial condition of Point as of the date of such statements, and no material adverse changes have occurred in Point's financial condition since the date thereof.

10. Events of Default. The following shall constitute Events of Default:

a. Point's failure to make payment of principal and interest (or any other sum that may become due) under the Note on the due date, and such failure continues for a period of ten days (10) days;

b. Point's failure to comply with any term of this Agreement, the Note, or any other agreement between Endswell and Point with respect to this Agreement or the Note, which failure continues 30 days after written notice thereof has been given to Point; and

c. Any representation, warranty or statement made by or on behalf of Point in or with respect to this Agreement shall prove to have been false or misleading.

11. Remedies. Upon the occurrence of an Event of Default, Endswell may exercise remedies provided for in the Note or under applicable law, and may otherwise exercise all rights and remedies available to a secured creditor after default, including but not limited to the rights and remedies of secured creditors under the Uniform Commercial Code as enacted in California.

12. No Personal Liability. This Agreement is made between Point and Endswell. No officer or director or agent of Point will be personally liable for any of the obligations ~~set forth herein~~ arising out of this Agreement.

Maker may from time to time propose in writing that other types of goods and services be considered In-Kind Payments. Such additional goods and services will be considered In-Kind Payments if Holder or Holder's designee consents in writing. Holder may withhold its consent in its sole discretion.

The In-Kind Payments described in subparagraphs a., c., and d. above will be valued at the retail prices normally charged for the goods and services involved. If goods and services are not sold at retail, then such goods and services will be valued at their fair market value. The In-Kind Payments described in subparagraph b. above will be valued at the wholesale prices normally charged plus shipping.

On each anniversary of the date of this Note, all accrued interest, less any credits resulting from In-Kind Payments, will be added to the outstanding principal balance under the Note.

2. Payment. On the first anniversary of the date of this Note, Maker will pay to Holder five percent (5%) of the then-outstanding sum of the principal balance of this Note, which balance shall include interest accrued during the preceding year and added to principal. Thereafter, on each of the second, third, and fourth anniversaries of the date of this Note, Maker will pay to Holder ten percent (10%) of the then-outstanding sum of the principal balance of this Note, which balances will also reflect the addition of accrued interest. On the fifth anniversary of the date of this Note, the Maker will pay to the Holder a sum equal to all outstanding principal and accrued interest under this Note.

Payments shall be applied first to accrued interest as of the date on which such payments are actually received, and then to the unpaid principal balance.

Any other payments which may become due under the terms of this Note, including the payment of principal and interest on the due dates, penalties, costs, and attorneys' fees, shall bear interest from the date upon which they become due at the rate of ten percent (10%) per annum. Such costs and fees shall become due and payable upon demand by Holder.

3. Security and Collateral. Maker's obligations under this Note are secured by certain collateral, as set forth in that certain "Loan, Security, and Pledge Agreement" dated November __, 1995, between Maker and Holder (the "Loan Agreement").

4. Prepayment. Holder will have the right to prepay this Note at any time without penalty.

5. Default.

This Note shall be in default in the event that any one of the following occurs:

(1) Maker shall fail to make payment of principal and interest (or any other sum that may become due) on the due date, and such failure shall continue for a period of ten days (10) days; or

(2) An Event of Default shall occur under the Loan Agreement.

Upon occurrence of a default the Holder shall have all rights and remedies provided to it by law, and without limiting the generality of the foregoing, may do any one or more acts described in the following subparagraphs, and in any order it deems appropriate:

(1) Immediately and with notice to Maker, Holder may accelerate Maker's obligations hereunder and all amounts shall immediately become due and payable;

(2) Holder shall have the right to foreclose the security interests created by the Loan Agreement either by judicial or nonjudicial foreclosure, and to otherwise exercise any and all of the rights of a secured creditor under applicable law; and

(3) Holder shall have the right to enforce any one or more of the remedies provided hereunder or by law or in equity either successively or concurrently, and any such action by Holder shall not be deemed an election of remedies or otherwise prevent Holder from pursuing any further remedy it may have hereunder or at law or in equity.

6. No Personal Liability. This Note is made by Maker, and Maker will be the only party obligated hereon. No officer or director or agent of Maker will be personally liable for any of the obligations ~~set forth herein~~ arising out of this Note.